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LOK SABHA

The following Bill was introduced in Lok Sabha on the 28th April, 1961:—

*Bill No. 29 of 1961

A Bill to amend the Coal Mines (Conservation and Safety) Act, 1952.

BE it enacted by Parliament in the Twelfth Year of the Republic of India as follows:—

1. This Act may be called the Coal Mines (Conservation and Short title, Safety) Amendment Act, 1961.

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- 2. In section 3 of the Coal Mines (Conservation and Safety) Act, Amendment 1952 (hereinafter referred to as the principal Act), after clause (h), of section 3 the following clauses shall be inserted, namely:—
 - '(hh) "railway" shall have the meaning assigned to it in the Indian Railways Act, 1890;

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- (hhh) "safety in coal mines" includes the safety of any railway situated on the surface above a coal mine;'.
- 3. In section 8 of the principal Act, in sub-section (1),—

Amendment of section 8.

- (a) in clause (a), for the words "not exceeding one rupee per ton", the words "not exceeding four rupees per ton" shall be substituted; and
- (b) for the Explanation to clause (b), the following Explanation shall be substituted, namely:—

"Explanation.—Coal of Selected Grade A, Selected Grade B and Grade I means coal graded as such by the Board in accordance with the specifications laid down by the Central Government from time to time.".

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^{*}The President has, in pursuance of clauses (1) and (3) of article 117 of the Constitution of India, recommended to Lok Sabha the introduction and consideration of the Bill,

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Amendment of section 13.

4. In section 13 of the principal Act, in clause (a) of sub-section (3), after the words "or the mine", the words "or a railway" shall be inserted.

Amendment of section 17.

5. In section 17 of the principal Act, for sub-section (4), the following sub-section shall be substituted, namely:—

"(4) Every rule made under this Act shall be laid, as soon as may be after it is made, before each House of Parliament while it is in session for a total period of thirty days which may be comprised in one session or in two successive sessions, and, if, before the expiry of the session in which it is so laid or 10 the session immediately following, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be 15 without prejudice to the validity of anything previously done under that rule."

STATEMENT OF OBJECTS AND REASONS

A considerable portion of the additional production of coal during the Third Five Year Plan has to be found by extracting the high quality coal which is standing on pillars in the Jharia and Raniganj coalfields. As depillaring has to be accompanied by stowing in the interest of safety of life and property and for the conservation of the coal resources, it is necessary to ensure an uninterrupted supply of sand to the collieries. The Coal Board, which is the statutory authority for promoting measures relating to safety in mines and conservation of coal, proposes to erect aerial ropeways in the Jharia and Raniganj coalfields to facilitate the transport of several million tons of sand per annum from the river beds to collieries. The financial resources of the Coal Board are not sufficient to meet the costs of the ropeway scheme.

- 2. To meet the increasing requirements of coal, it has become necessary to increase the movement of coal by sea to the coastal states in the South and the West. The cost of transport by sea is likely to be higher as compared to that on movement by the all rail route. It may be necessary to pay an element of subsidy in respect of the coal moved by sea and this may necessitate an increase in excise duty.
- 3. The objects mentioned in paragraphs 1 and 2 above cannot be achieved within the ceiling prescribed in the Coal Mines (Conservation and Safety) Act, 1952 and it has therefore become necessary to raise the limit of excise duty to rupees four per ton.
- 4. The Act, as it stands at present, does not enable the Chief Inspector of Mines to pass orders for the compulsory execution of protective measures where the working of a mine endangers the safety of the railway property situated on the surface above it, nor does it enable the Coal Board to grant assistance in such cases. Opportunity has been taken to make provision in this regard also.

New Delhi; The 25th April, 1961.

SWARAN SINGH.

FINANCIAL MEMORANDUM

The financial implications of the Bill are contained in section 3.

- 2. The excise duty mentioned in the Coal Mines (Conservation and Safety) Act is subject to a ceiling of Rupee One per ton of coal/coke. The current rates of levy are Rs. 0.88 per ton of coal and soft coke and Rs. 0.94 per ton of hard coke. The estimated net proceeds of this levy which are proposed to be paid to the Coal Board during 1961-62 are Rs. 380 lakhs. A statement showing the budget estimates of the Coal Board under broad headings is attached.
- 3. The present bill proposes to enhance the limit for excise duty from Rupee One per ton to Rupees Four per ton. The actual increase in the existing rate of the said duty will be so determined as to yield an additional revenue of approximately Rs. 700 lakhs per year. Out of this additional revenue, approximately Rs. 300 lakhs will be paid into the Coal Mines Safety and Conservation Fund, so as to enable the Coal Board to meet expenditure connected with the operation and maintenance of the Central Ropeways project. The remaining Rs. 400 lakhs will be utilised by Government to subsidise the movement of coal by sea to the coastal states in the South and in the West.
- 4. The amendment to extend the scope of the Coal Mines (Conservation and Safety) Act to cover the safety of railway property would not mean any additional expenditure from the Consolidated Fund of India. The expenditure on this account will be met by the Coal Board from the normal net proceeds of excise duty which are transferred to the Coal Mines Safety and Conservation Fund during each financial year.

Budget Estimates 1961-62 of the expenditure of the Coal Board.

M. N. KAUL, Secretary.